AGTPO 14 July 1982

NEW HAMPSHIRE NATIONAL GUARD TECHNICIAN PERSONNEL REGULATION NUMBER 531

MERIT PAY AND CASH AWARDS

- 1 REFERENCE: NGB TPRB 531-1,
- 2. GENERAL: This plan is applicable to all GS-13, 14, and 15 technicians determined by The National Guard Bureau to be covered by Merit Pay. Their pay designator is "GM", the code designating the merit pay plan.
- 3. MERIT PAY FUNDS: Using the Merit Pay Fund Computation Table which is to be published by OPM each year, the National Guard Bureau will calculate the merit pay fund for the State. These funds represent the amount in the normal salary appropriations which would have been used for (1) one-half of comparability, (2) within-grade increases, and (3) quality step increases. The purpose of merit fund and point value calculations is to determine to whom this money will be distributed among merit pay technicians. Separate funds are allocated for Army and Air.

4 PERFORMANCE APPRAISAL AND MERIT PAY LINKAGE:

- a. Merit pay philosophy relates the performance of a technician not only to the size of the pay adjustment, but also to that technician's position in the pay range. While movement within the pay range may take several years, the calculation to arrive at the merit pay increase assures that the fully acceptable technician will ultimately advance to the middle third of the range and that Excellent and Outstanding technicians will move to the upper third of the range. In this way, the pay range itself reflects the value of the job to the organization and a technician's position in the range reflects his level of performance.
- b. It is never possible to actually know at the end of the rating cycle the amount of money that is being recommended for the technician. The rating official completes the performance appraisal, it is reviewed by the reviewing official and torwarded to the Technician Personnel Office. The TPO converts the performance appraisal points to the merit pay points. The merit pay points from the finalized ratings of all the technicians in the merit pay unit are divided into the organizations' merit pay fund to get the initial point value in dollars. Adjustments are made for technicians at the bottom and top of the range and final adjustment of the point value is made. (NOTE: This adjustment insures that technicians in step 1 receive full comparability and that the rate of technicians at step 10 does not exceed the maximum of the range, as required by law).
 - c. The merit pay increase is then documented by issuance of an SF 50
- 5. <u>CASH AWARDS</u>: 5 USC 5403 authorizes, as part of the Merit Pay System, awards based on technician performance. All GM technicians are eligible for cash awards based on superior performance.

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- a. Funds for this program are budgeted by NGB, apart from the merit pay fund. The amount budgeted will not exceed 1% of total payroll for merit pay technicians. These funds are then allocated to us based on our State's payroll for merit pay technicians. Separate funds are allocated for Army and Air
- b. Basis for and Timing of Cash Awards. Cash awards under this program should be based on superior performance. Examples warranting awards consideration are:
- (1) Superior performance while on detail or temporary assignment to an equal or higher graded position.
- (2) Superior performance on a special project which involves over-coming unusual difficulties.
- (3) Significant development of new or improved methods or procedures for accomplishing the work of the organization.
- (4) Outstanding accomplishments in furthering equal employment opportunity.
- (5) Technicians who are at or near the maximum of the rate range for the grade and whose exceptional performance warrants special one-time recognition beyond what would be possible within the rate range or when the range is capped.
- c. Cash awards should be granted only after careful consideration of a technician's performance. They are intended to be used as a bonus when there are reasons or circumstances where base salary is insufficient or inappropriate to recognize the nature or level of contribution made.
- d. The basis for the award will be a letter from the Supervisor recommending the award and briefly outlining the basis for the award. The letter will be forwarded through the reviewing official, except when the reviewing official is The Adjutant General, to the Technician Personnel Office. Upon final approval, an SF 50 and an award certificate will be issued to document the action.

JOHN BLATSOS

Major General, AGC, NHNG

The Adjutant General